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October 19, 2018

**VIA ELECTRONIC FILING**

The Honorable Jocelyn G. Boyd  
Chief Clerk / Administrator  
Public Service Commission of South Carolina  
101 Executive Center Drive, Suite 100  
Columbia, SC 29210

Re: Demand Side Management/Energy Efficiency ("DSM/EE") Quarterly Report  
Docket No. 2011-181-E

Dear Ms. Boyd:

Pursuant to Commission Order No. 2011-619 issued September 2, 2011 in Docket No. 2011-181-E, Duke Energy Progress, LLC ("DEP") submits its quarterly report pertaining to Rider DSM/EE-9 and its EM&V schedule for Demand Side Management/Energy Efficiency ("DSM/EE") programs. The schedules accompanying this submission, for the quarter ending September 30, 2018, are as follows:

- Attachment 1 – Amounts billed under Rider DSM/EE-9 during the reporting period accompanied by estimates of gross receipts taxes and South Carolina Regulatory Fees;
- Attachment 2 – DSM/EE program energy and capacity savings achieved through the end of the reporting period;
- Attachment 3 – DEP's anticipated DSM/EE program EM&V schedule; and
- Attachment 4 – DEP's System O&M and A&G expenses and amounts allocated to South Carolina.

DEP will continue to submit this report to both the Commission and the Office of Regulatory Staff on a quarterly basis until further order of the Commission.

Please contact me if you have any questions.

Kind regards,

Sam Wellborn

SJW:tch

Enclosures

cc w/enc: Jeffrey M. Nelson, ORS Chief Legal Officer (via email)  
J. Blanding Holman, IV, Esquire (via email)  
Heather Shirley Smith, Deputy General Counsel (via email)  
Rebecca J. Dulin, Senior Counsel (via email)

## Rider DSM/EE-9 Quarterly Billings for the Quarter Ending September 30, 2018

### A. Amounts Net of GRT & SC Reg Fee

Rate Class	KWH	DSM	DSDR	EE	Total Recovery
Residential	607,985,902	\$ 1,482,007.22	\$ 1,075,298.36	\$ 5,142,367.71	\$ 7,699,673.29
Small General Service	83,280,080	\$ 41,306.92	\$ 80,281.99	\$ 519,667.70	\$ 641,256.61
Medium General Svc	474,793,178	235,497.42	457,700.63	2,962,709.43	3,655,907.48
Large General Service	605,103,195	300,131.18	583,319.47	3,775,843.94	4,659,294.59
Lighting	19,960,796	-	-	-	-
Non-Residential ( <i>Gross</i> )	1,183,137,249	\$ 576,935.52	\$ 1,121,302.09	\$ 7,258,221.07	\$ 8,956,458.68
Opt-Outs					
General Service EE	(751,323,266)	\$ (372,656.33)	\$ -	\$ -	\$ (372,656.33)
General Service DSM/DSDR	(749,446,673)	-	(724,275.63)	(4,676,547.24)	(5,400,822.87)
Lighting	(352,489)	-	-	-	-
Non-Residential ( <i>Opt-Out</i> )	NA	\$ (372,656.33)	\$ (724,275.63)	\$ (4,676,547.24)	\$ (5,773,479.20)
Non-Residential ( <i>Net</i> )	NA	\$ 204,279.19	\$ 397,026.46	\$ 2,581,673.83	\$ 3,182,979.48
Overall Net Recoveries	NA	\$ 1,686,286.41	\$ 1,472,324.82	\$ 7,724,041.54	\$ 10,882,652.77

### B. GRT & SC Reg Fee

Estimated Gross Receipts Tax @ 0.30 percent	\$ 32,746.20
Estimated SC Regulatory Fee @ 0.1519029 percent	16,556.21
Total GRT and Regulatory Fee	\$ 49,302.41

### C. Estimated DSM/EE Billings (Sections A + B)

\$ 10,931,955.18

**Duke Energy Progress**  
**DSM / EE Program Savings (1)**  
*September 30, 2018*

	Year to Date			Cumulative Since Program Inception		
	No. of Participants	kWh Savings	kW Savings	No. of Participants	kWh Savings	kW Savings
<b>EnergyWise™ (2)</b>	364,681	-	364,681	364,681	-	364,681
<b>CIG Demand Response (2)</b>	21,497	-	21,497	21,497	-	21,497
<b>Energywise for Business - DR (6)</b>	4,605	-	4,605	4,605	-	4,605
<b>Residential New Construction</b>	8,215,725	9,867,738	4,075	23,705,053	48,648,972	20,869
<b>Residential Home Energy Improvement</b>	19,086	5,292,917	1,306	275,966	46,412,655	31,307
<b>Residential Low Income - NES</b>	3,008	1,292,256	197	38,950	19,420,669	2,693
<b>Residential Lighting Program (3)</b>	1,628,558	20,572,481	3,391	31,534,674	921,875,401	145,866
<b>Non-Res SmartSaver (3)</b>						
Prescriptive Lighting	636,976	63,761,621	10,918	79,793,588	434,953,015	82,430
Prescriptive HVAC	277,598	1,230,098	247	3,066,454	10,394,440	3,120
Prescriptive Motor	346	247,897	38	970	1,045,850	121
Prescriptive Refrigeration	795	184,349	14	807,313	11,523,445	1,079
Performance Incentive	3	533,548	66	3	533,548	66
Custom Measure	9,740	9,755,774	1,247	15,773	77,990,740	13,782
Technical Assistance	-	-	-	7,046	924,590	90
<b>CIG Energy Efficiency Total</b>	925,458	75,713,287	12,530	83,691,147	537,365,627	100,686
<b>Small Business Energy Saver (3)</b>	28,643,051	28,454,895	4,706	111,910,479	199,022,843	45,911
<b>My Home Energy Report (7)</b>	799,498	112,767,890	19,090	799,498	112,767,890	19,090
<b>Energy Efficiency Education Program (K-12)</b>	5,944	1,462,200	619	35,012	8,013,972	1,994
<b>Multi-Family Energy Efficiency Program</b>	219,409	11,079,299	1,542	1,102,318	55,828,045	6,506
<b>Save Energy &amp; Water Kit Program</b>	223,744	11,938,711	3,957	1,012,744	57,264,505	13,752
<b>Residential Energy Assessment</b>	29,653	4,042,770	675	95,082	13,121,770	2,192
<b>Energywise for Business EE (6)</b>	1,088	611,985	197	2,752	3,024,785	971
<b><u>Closed Programs</u></b>						
<b>Business Energy Report - Pilot</b>	-	-	-	25,809	8,472,181	1,380
<b>Residential Appliance Recycling</b>	-	-	-	47,834	27,252,360	3,118
<b>Residential Energy Efficiency Benchmarking (4)</b>	-	-	-	42,928	15,402,566	2,683
<b>Residential Home Advantage (4)</b>	-	-	-	7,174	8,649,183	3,078
<b>Residential Solar Water Heating Pilot (4)</b>	-	-	-	150	31,250	30
<b>Residential CFL Pilot Program (4)</b>	-	-	-	203,222	6,706,000	630
<b>Summary Totals</b>	41,105,006	283,096,430	443,067	254,921,576	2,089,280,676	793,538

- (1) The values in this report, except where noted, represent estimated net savings at the meter. The reported net savings reflect ongoing annual reductions resulting from the installation of DSM/EE measures during the reporting periods. These amounts have been adjusted to account for the impact of anticipated net to gross relationships. Subsequent reports will replace estimated savings with verified values, adjusted for appropriate net to gross ratios, as determined through the Measurement and Verification (M&V) process.
- (2) The EnergyWise™ participation levels shown represent program capabilities expressed in kW. The CIG Demand Response participation levels reflect contracted values.
- (3) Participation levels shown, represent number of installed measures.
- (4) Amounts reflect final net, post EM&V, values.
- (5) Business Energy Report - Pilot Program terminated 06/30/2017.
- (6) Demand Response savings identified in EnergyWise for Business-DR line. Participants and savings recognized from the program's conservation measures identified in EnergyWise for Business EE line.
- (7) Program includes single and multi-family dwellings. Participants are represented as current number of distinct accounts. Impacts represent programs current capabilities for kW and kWh savings.

DEP DSM/EE Programs - Anticipated EM&V Schedule  
As of October 16, 2018

DEP DSM/EE Programs - Anticipated EM&V Schedule

Program Name	NC Docket	SC Docket	Short name	2018 3rd Quarter	2018 4th Quarter	2019 1st Quarter	2019 2nd Quarter	2019 3rd Quarter	2019 4th Quarter	Notes
Commercial Demand Response	Docket No. E-2, Sub 953	Docket 2010-41-E	CIG DR				REP <sup>(2018)</sup>			
Distribution System Demand Response	Docket No. E-2, Sub 926	Docket 2009-190-E	DSDR							
Nonresidential Smart \$aver EE Products & Assessment (Prescriptive)	Docket No. E-2, Sub 938	Docket 2009-190-E	EEB					PROC/IMP	PROC/IMP	Report in Jan 2020
Nonresidential Smart \$aver EE Products & Assessment (Custom)	Docket No. E-2, Sub 938	Docket 2009-190-E	EEB	PROC/IMP	REP					EEB Custom projects combined with DEC Smart \$aver Custom eval report
EnergyWise	Docket No. E-2, Sub 927	Docket 2009-190-E	EW	REP <sup>(W2017/2018)</sup>		REP <sup>(S2018)</sup>		REP <sup>(W2018/2019)</sup>		
EnergyWise for Business	Docket No. E-2, Sub 1086	Docket 2015-163-E	EWB		REP <sup>(2017)</sup>			REP <sup>(2018)</sup>		2017 report (PY2016) to be combined with DEC evaluation report
Energy Efficiency Education	Docket No. E-2, Sub 1060	Docket 2014-420-E	K12	PROC/IMP	REP <sup>(2017/2018)</sup>					2nd eval in 2018 to be combined evaluation with DEC
Residential Energy Assessment	Docket No. E-2, Sub 1094	Docket 2016-82-E	REA	PROC/IMP	REP					Program approved Feb 2016
Lighting (Retail)	Docket No. E-2, Sub 950	Docket 2010-41-E	LP							
Multi-Family Energy Efficiency	Docket No. E-2, Sub 1059	Docket 2014-419-E	MF	PROC/IMP	REP					Will be combined DEC/DEP evaluation
My Home Energy Report	Docket No. E-2, Sub 989	Docket 2011-180-E	MyHER			REP				Report in 2018 will be combined DEC/DEP evaluation
Neighborhood Energy Saver	Docket No. E-2, Sub 952	Docket 2009-190-E	NES			PROC	IMP	REP		2018 delayed to 2019 due to complete switchover to LEDs; evaluation to be combined with DEC evaluation
Residential New Construction	Docket No. E-2, Sub 1021	Docket 2015-237-E	RNC							
Residential Save Energy & Water Kit	Docket No. E-2 Sub 1085	Docket 2015-322-E	SEW			PROC/IMP	REP			To be combined with DEC evaluation
Small Business Energy Saver	Docket No. E-2, Sub 1022	Docket 2015-163-E	SBES	REP						To be combined with DEC evaluation

LEGEND	
PROC	Process surveys/interviews (customers or other) for purposes of report that follows
IMP	Impact data collection (onsites, billing data) and analysis for purposes of report that follows
REP	Evaluation, Measurement & Verification Report

NOTE: THESE DATES ARE SUBJECT TO CHANGE

## South Carolina Retail - DSM/EE Cost Summary

## Q3 of Test Period

July 2018 through September 2018

SOUTH CAROLINA JURISDICTIONALLY ALLOCATED RETAIL COSTS ONLY												
O&M	Insurance	A&G Expense	Capitalized O&M and A&G	Amortization of Capitalized O&M	Amortization of Capitalized A&G	DSDR Capital Costs	Income Taxes on DSDR Capital Costs	DSDR Property Taxes	DSDR Depreciation	Carrying Costs Net of Taxes	Income Taxes on Carrying Cost	Rev Reqmt Before PPI & NLR
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			ΣCols(1)thru(3)	((1)+(2))/3	(3)/3							ΣCols(5)thru(12)
\$ 80,558		\$ -	\$ 80,558	\$ 26,853	\$ -					\$ -	\$ -	\$ 26,853
488,221		-	488,221	162,740	-					-	-	162,740
64,799			64,799	21,600	-					-	-	21,600
\$ 633,578		\$ -	\$ 633,578	\$ 211,193	\$ -					\$ -	\$ -	\$ 211,193
		26,372	26,372	-	8,791					89,725	20,486	119,002
\$ 633,578		\$ 26,372	\$ 659,950	\$ 211,193	\$ 8,791					\$ 89,725	\$ 20,486	\$ 330,195
314,828		-	314,828	\$ 104,943	-					-	-	104,943
66,819		-	66,819	\$ 22,273	-					-	-	22,273
308,054		-	308,054	\$ 102,685	-					-	-	102,685
328,203		-	328,203	\$ 109,401	-					-	-	109,401
-		-	-	\$ -	-					-	-	-
211,650		-	211,650	\$ 211,650	-					-	-	211,650
275,575		-	275,575	\$ 91,858	-					-	-	91,858
506,918		-	506,918	\$ 168,973	-					-	-	168,973
14,563		-	14,563	\$ 4,854	-					-	-	4,854
124,625		-	124,625	\$ 41,542	-					-	-	41,542
-		-	-	\$ -	-					-	-	-
-		-	-	\$ -	-					-	-	-
39,569			39,569	\$ 13,190								13,190
66,189			66,189	\$ 22,063								22,063
\$ 2,256,993		\$ -	\$ 2,256,993	\$ 893,432	\$ -					\$ -	\$ -	\$ 893,432
		105,261	105,261	-	35,087					284,403	64,933	384,423
\$ 2,256,993		\$ 105,261	\$ 2,362,254	\$ 893,432	\$ 35,087					\$ 284,403	\$ 64,933	\$ 1,277,855
\$ 182,137	\$ 26,030	\$ -	\$ 208,167	\$ 69,389	\$ -	\$ 248,462	\$ 56,518	\$ 96,135	\$ 435,359	\$ 41,352	\$ 9,441	\$ 956,656
		-	-	-	-							\$ -
\$ 182,137	\$ 26,030	\$ -	\$ 208,167	\$ 69,389	\$ -	\$ 248,462	\$ 56,518	\$ 96,135	\$ 435,359	\$ 41,352	\$ 9,441	\$ 956,656
\$ 3,072,708	\$ 26,030	\$ 131,633	\$ 3,230,371	\$ 1,174,014	\$ 43,878	\$ 248,462	\$ 56,518	\$ 96,135	\$ 435,359	\$ 415,480	\$ 94,860	\$ 2,564,706

\*EE Benchmarking program is recoverable over a 1 year period  
All other EE programs are over a 3 year period

EE Deferral Calculation DSM/EE Filing Support Cost summary for 07/18 - 9/18				
	Jul-18	Aug-18	Sep-18	Q3 2018
<b>EE Current Period Actual Program Cost Deferral:</b>				
Program O&M Costs				
CIG Energy Efficiency				-
Home Depot CFL				
EE Behavior Program (1 year)	630,727.41	8,566.54	826,517.28	1,465,811.23
Residential Home Advantage	-	-	-	-
Business Energy Report	-	-	-	-
Residential Home Energy Improvement (Ph.II)	160,444.57	1,518,784.51	501,148.98	2,180,378.06
Residential Low Income / PHA (Ph.II)	97,913.10	28,961.86	335,885.19	462,760.15
Residential Lighting	540,028.54	1,390,040.53	342,943.85	2,273,012.92
Appliance Recycle	-	-	-	-
Small Business Direct Install	629,208.13	967,299.71	312,018.17	1,908,526.01
Residential New Construction	1,395,815.40	1,023,644.82	1,091,265.94	3,510,726.16
K12 Performance - National Theatre	(3,800.89)	8,602.81	96,053.81	100,855.73
Freezer Recycle Program	-	-	-	-
Save Energy and Water Kit	86,522.14	168,995.06	18,524.68	274,041.88
Residential Energy Assessments	145,887.84	228,806.36	83,703.39	458,397.59
Non-Res Custom Incentive	102,795.42	157,809.99	76,054.45	336,659.86
Non-Res Pres-Lighting	499,598.60	578,535.57	536,633.25	1,614,767.42
Non-Res Custom Assessments	12,049.14	9,916.86	16,856.55	38,822.55
Non-Res Pres-Food Service	13,766.30	20,313.86	13,474.01	47,554.17
Non-Res Pres-HVAC	22,947.95	36,223.83	36,492.75	95,664.53
Multi-Family Aerators	28,771.61	28,928.37	14,646.99	72,346.97
Multi-Family Pipe Wrap	222,888.56	309,946.46	141,148.57	673,983.59
Multi-Family Showerheads	38,910.09	55,010.22	22,859.59	116,779.90
Residential CFL Property Manager	-	-	-	-
Total EE O&M	4,624,473.91	6,540,387.36	4,466,227.45	15,631,088.72
Program Costs not yet Commission Approved				
Business Energy Report				
G&A	339,029.18	282,566.36	230,516.66	852,112.20
True-up Entry Amount, if any (See **True-up Notes)				
Subtotal Deferred G&A and O&M	4,963,503.09	6,822,953.72	4,696,744.11	16,483,200.92
<b>SC</b>				
Program Costs				
CIG Energy Efficiency	-	-	-	-
Home Depot CFL	-	-	-	-
EE Behavior Program	91,071.57	1,236.93	119,341.92	211,650.42
Residential Home Advantage	-	-	-	-
Business Energy Report (3 years)	-	-	-	-
Residential Home Energy Improvement (Ph.II)	23,166.80	219,299.30	72,361.56	314,827.66
Residential Low Income / PHA (Ph.II)	14,137.80	4,181.84	48,498.91	66,818.55
Residential Lighting (5 years) - updated to 3 years in 20	77,975.44	200,709.79	49,518.12	328,203.35
Solar Hot Water Pilot	-	-	-	-
Appliance Recycle	-	-	-	-
Small Business Direct Install	90,852.19	139,669.68	45,052.72	275,574.59
Residential New Construction	201,543.63	147,805.43	157,569.33	506,918.39
K12 Performance - National Theatre	(548.82)	1,242.17	13,869.34	14,562.69
Freezer Recycle Program	-	-	-	-
Save Energy and Water Kit - tentatively 5 years	12,493.05	24,401.42	2,674.80	39,569.27
Residential Energy Assessments - tentatively 5 years	21,064.94	33,037.65	12,086.04	66,188.63
Non-Res Custom Incentive	14,842.77	22,786.39	10,981.60	48,610.76
Non-Res Pres-Lighting	72,137.70	83,535.52	77,485.18	233,158.40
Non-Res Custom Assessments	1,739.79	1,431.91	2,433.94	5,605.64
Non-Res Pres-Food Service	1,987.73	2,933.15	1,945.53	6,866.41
Non-Res Pres-HVAC	3,313.48	5,230.41	5,269.24	13,813.13
Multi-Family Aerators	4,154.37	4,177.01	2,114.90	10,446.28
Multi-Family Pipe Wrap	32,183.17	44,753.58	20,380.63	97,317.38
Multi-Family Showerheads	5,618.28	7,943.00	3,300.73	16,862.01
Residential CFL Property Manager	-	-	-	-
Total EE O&M	667,733.89	944,375.18	644,884.49	2,256,993.56
G&A	46,374.62	28,364.10	30,522.50	105,261.22
True-up Entry Amount, if any (See **True-up Notes)				
Subtotal Deferred O&M and G&A	714,108.51	972,739.28	675,406.99	2,362,254.78
<b>Return Calc</b>				
Debt Component - Net of Tax	24,756.88	24,275.14	24,067.65	73,099.67
Equity Component - Net of Tax	71,562.66	70,170.14	69,570.36	211,303.16
Equity Return Tax Gross-Up	21,991.21	21,563.28	21,378.97	64,933.46
Total Return	118,310.75	116,008.56	115,016.98	349,336.29
<b>Source: Monthly Accounting File</b>				

	A	B	C	D	E	F
1	<b>DSM Deferral Calculation</b>					
2	<b>DSM/EE Filing Support</b>					
3	<b>Cost summary for 07/18 - 9/18</b>					
4						
5						
6						
7						
8						
9		<b>Jul-18</b>	<b>Aug-18</b>	<b>Sep-18</b>		<b>Q3 2018</b>
10	<b>DSM Current Period Actual Program Cost Deferral:</b>					
11	Program Costs					
12	CIG Demand Response (Ph. II)	168,652.20	117,651.39	311,769.32		598,072.91
13	Residential Energy Wise	863,659.09	1,347,129.57	1,413,831.12		3,624,619.78
14	Small Business EE DR	121,833.52	69,777.77	289,465.75		481,077.04
15	Total DSM O&M	1,154,144.81	1,534,558.73	2,015,066.19		4,703,769.73
16						
17	Program Costs not yet Commission Approved					
18	Small Business EE DR					
19						
20	G&A	91,522.81	76,280.36	62,229.26		230,032.43
21	True-up Entry Amount, if any (See **True-up Notes)					
22	Subtotal Deferred G&A and O&M	1,245,667.62	1,610,839.09	2,077,295.45		4,933,802.16
23						
24	<b>SC:</b>					
25	Program Costs					
26	CIG Demand Response (Ph. II)	22,716.73	15,847.14	41,993.99		80,557.86
27	Residential Energy Wise	116,331.18	181,452.59	190,437.00		488,220.77
28	Small Business EE DR	16,410.45	9,398.77	38,989.80		64,799.02
29	Total DSM O&M	155,458.36	206,698.50	271,420.79		633,577.65
30						
31	G&A	11,678.45	7,007.41	7,686.44		26,372.30
32	True-up Entry Amount, if any (See **True-up Notes)					
33	Subtotal Deferred O&M and G&A	167,136.81	213,705.91	279,107.23		659,949.95
34						
35	Subtotal Deferred of Program Costs not yet Commission Approved					
36						
37	<b>Recovery</b>					
38	SC	(415,343.20)	(427,550.57)	(404,586.83)		(1,247,480.60)
39						
40	<b>Amortization</b>					
41	O&M	(255,942.79)	(273,022.84)	(294,596.94)		(823,562.57)
42	G&A	(17,416.87)	(15,859.85)	(16,086.20)		(49,362.92)
43		(282,997.27)	(312,997.63)	(264,938.01)		(860,932.91)
44						
45	<b>Carrying Cost Balance</b>					
46	Beg Balance	6,607,836.56	6,501,613.71	6,426,436.93		19,535,887.21
47	plus expense	167,136.81	213,705.91	279,107.23		659,949.95
48	less amortization	(273,359.66)	(288,882.69)	(310,683.13)		(872,925.49)
49	End Balance	6,501,613.71	6,426,436.93	6,394,861.03		19,322,911.67
50	Prior Month Ending Balance for return calc (2007- Nov 09 Average Bal.)	6,607,836.56	6,501,613.71	6,426,436.93		19,535,887.21
51						
52	ADIT	1,553,079.47	1,528,113.28	1,510,444.03		4,591,636.78
53	Basis for return calc	5,054,757.09	4,973,500.43	4,915,992.90		14,944,250.43
54						
55	<b>Return Calc</b>					
56	Debt Component - Net of Tax	7,800.50	7,675.11	7,586.36		23,061.97
57	Equity Component - Net of Tax	22,548.26	22,185.79	21,929.26		66,663.31
58	Equity Return Tax Gross-Up	6,929.08	6,817.69	6,738.86		20,485.63
59	Total Return	37,277.84	36,678.59	36,254.48		110,210.91
60						
61						
62						
63	<b>Source: Monthly Accounting File</b>					

	A	B	C	D	E	F
1	<b>DSDR Deferral Calculation</b>					
2	<b>DSM/EE Filing Support</b>					
3	<b>Cost summary for 07/18 - 9/18</b>					
4						
5						
6						
7		<b>Jul-18</b>	<b>Aug-18</b>	<b>Sep-18</b>		<b>Q3 2018</b>
8						
9	<b>DSDR Current Period Actual Program Cost Deferral:</b>					
10	DSDR Program Costs	321,396.81	794,549.42	236,266.01		1,352,212.24
11	DSDR G&A					
12	True-up Entry Amount, if any (See **True-up Notes)					
13	Subtotal Deferred G&A and O&M	321,396.81	794,549.42	236,266.01		1,352,212.24
14						
15	<b>SC:</b>					
16	Program Costs	43,290.78	107,022.41	31,824.02		182,137.21
17	G&A	-	-	-		-
18	True-up Entry Amount, if any (See **True-up Notes)					
19	Subtotal Deferred O&M and G&A	43,290.78	107,022.41	31,824.02		182,137.21
20						
21	Smart Grid Insurance Expense Accrual	8,748.26	8,676.83	8,605.00		26,030.09
22						
23	Smart Grid Depreciation	145,113.71	145,119.73	145,125.36		435,358.8
24	Smart Grid Property Tax	32,045.15	32,045.15	32,045.15		96,135.44
25	R&E Tax Credit					
26						
27	Subtotal for Expense Deferral	229,197.90	292,864.12	217,599.53		739,661.54
28						
29	Return on 101 Capital SmartGrid - Debt	21,707.02	21,514.88	21,322.29		64,544.19
30	Return on 101 Capital SmartGrid - Equity	61,853.79	61,306.30	60,757.53		183,917.62
31	Equity Return Tax Gross Up	19,007.67	18,839.43	18,670.79		56,517.89
32	<b>Total Return</b>	102,568.48	101,660.61	100,750.61		304,979.70
33						
34	<b>Recovery</b>					
35	SC	(505,056.41)	(499,095.93)	(468,172.50)		(1,472,324.84)
36						
37						
38	<b>Amortization</b>					
39	O&M	(112,702.53)	(133,922.59)	(108,832.52)		(355,457.64)
40	G&A	(816.79)	(816.79)	(816.79)		(2,450.37)
41	Other (Dep and Prop Tax)	(177,158.86)	(177,164.88)	(177,170.51)		(531,494.24)
42		(290,678.17)	(311,904.26)	(286,819.82)		(889,402.25)
43						
44	<b>Carrying Cost Balance</b>					
45	Beg Balance	3,048,505.84	2,987,025.57	2,967,985.42		9,003,516.83
46	plus expense	229,197.90	292,864.12	217,599.53		739,661.54
47	less amortization	(290,678.17)	(311,904.26)	(286,819.82)		(889,402.25)
48	End Balance	2,987,025.57	2,967,985.42	2,898,765.13		8,853,776.12
49	Prior Month Ending Balance for return calc (2007-	3,048,505.84	2,987,025.57	2,967,985.42		9,003,516.83
50						
51	ADIT	716,508.62	702,058.54	697,583.42		2,116,150.58
52	Basis for return calc	2,331,997.22	2,284,967.03	2,270,402.00		6,887,366.25
53						
54	<b>Return Calc</b>					
55	Debt Component - Net of Tax	3,598.74	3,526.16	3,503.68		10,628.58
56	Equity Component - Net of Tax	10,402.57	10,192.78	10,127.81		30,723.16
57	Equity Return Tax Gross-Up	3,196.71	3,132.24	3,112.28		9,441.23
58	Total Return	17,198.02	16,851.18	16,743.77		50,792.97
59						
60						
61						
62						
63	<b>Source: Monthly Accounting File</b>					